

CALIFORNIA ENERGY COMMISSION

1516 Ninth Street, MS 45
Sacramento, California 95814

Main website: www.energy.ca.gov



Implementation of Renewable Investment Plan Legislation) Docket No. 02-REN-1038
Renewable Energy Program
)
) NOTICE OF BUSINESS MEETING
) RE: Revision of Emerging Renewables Program
_____) Guidebook

Notice to Consider Adoption of Revisions to the *Emerging Renewables Program Guidebook*

The California Energy Commission will hold a Business Meeting on:

WEDNESDAY, NOVEMBER 16, 2011

10 a.m.

CALIFORNIA ENERGY COMMISSION

1516 Ninth Street

First Floor, Hearing Room A

Sacramento, California

(Wheelchair Accessible)

Audio from this meeting will be broadcast over the Internet.

For details, please go to:

www.energy.ca.gov/webcast

As part of the November 16, 2011 Business Meeting, the Energy Commission will consider adopting revisions to the *Emerging Renewables Program Guidebook, Eleventh Edition*. The *Guidebook* describes the requirements for participating in the Emerging Renewables Program (ERP) and receiving incentives to help offset the cost of purchasing and installing eligible fuel cell and small wind generating systems.

Staff, with input and guidance from lead Commissioner Carla Peterman, is recommending the following proposed revisions to the *Guidebook*:

- The rebate rate for small wind turbines will remain at \$3.00 per watt for the first 10 kW for 180 days after the ERP suspension is lifted on November 9, 2011, and will drop to \$2.50 per watt for the first 10 kW after this 180-day period ends.

- The provision that limits program funding for individual technology suppliers and retailers to no more than 25 percent of the annual funding allocation for the Emerging Renewable Resources Account is removed.

Staff will continue to monitor the adequacy of the rebate level and may make recommendations to the Lead Commissioner to extend the higher incentive beyond six months if necessary.

The proposed revisions are being recommended as a result of public comments received in response to the Energy Commission's adoption of the *Emerging Renewables Program Guidebook, Eleventh Edition*, on November 2, 2011. The proposed revisions are limited to pages 10 through 12 of the *Guidebook*, which have been excerpted and attached as Attachment A to this notice for public review. The proposed revisions are shown in underline and strikeout format.

A draft version of the *Guidebook* which includes the proposed revisions is available online at

[\[www.energy.ca.gov/renewables/emerging_renewables/index.html\]](http://www.energy.ca.gov/renewables/emerging_renewables/index.html) and for public review (Publication No.CEC-300-2011-004-D).

Written Comments

Staff requests that written comments be submitted by 5:00 p.m. on November 10, 2011. However, comments will be accepted up until the date of the Business Meeting. Please include the docket number 02-REN-1038 and indicate Emerging Renewables Program in the subject line or first paragraph of comments. Please hand deliver or mail an original copy to:

California Energy Commission
Dockets Office, MS-4
Re: Docket No. 02-REN-1038
1516 Ninth Street
Sacramento, CA 95814-5512

The Energy Commission encourages comments by e-mail. Please include your name or organization's name with your comments. Those submitting comments by electronic mail should provide them in either Microsoft Word format or as a Portable Document (PDF) to [\[docket@energy.state.ca.us\]](mailto:docket@energy.state.ca.us). **One paper copy** must also be sent to the Energy Commission's Docket Unit. Please also submit your comments to renewable@energy.state.ca.us to ensure that staff receives a copy.

Public Participation

The Energy Commission's Public Adviser provides the public assistance in participating in Energy Commission activities. For information on how to participate in this forum, please contact the Public Adviser's Office at (916) 654-4489 or toll free at (800) 822-6228, by FAX at (916) 654-4493, or by e-mail at

[\[Public Adviser@energy.state.ca.us\]](mailto:PublicAdviser@energy.state.ca.us). If you have a disability and require assistance to participate, please contact Lou Quiroz at (916) 654-5146 at least five days in advance.

Please direct all news media inquiries to the Media and Public Communications Office at (916) 654-4989, or by e-mail at [\[mediaoffice@energy.state.ca.us\]](mailto:mediaoffice@energy.state.ca.us). For technical questions on the subject matter of this notice, please contact James Lee, Renewable Energy Program, at (916) 653-1195, or by e-mail at [\[jslee@energy.state.ca.us\]](mailto:jslee@energy.state.ca.us).

CARLA PETERMAN
Lead Commissioner

Attachment A
Electronic Mail Lists: Renewable

Attachment A

III. Incentives Offered Through This Program

A. Rebates Offered

The rebates offered through this program are based on the generating capacity of a system and vary by system size, technology, and type of installation. The incentive must be used to reduce the purchase or lease cost of the eligible system, or the cost of electricity produced by the eligible system for the on-site customer. A rebate that is 15 percent lower than the standard rebate is available for self-installed systems. Additionally, special rebates may be available for systems installed for affordable housing. Because these special rebates target specific groups or classes of customers, they are discussed separately in Chapter VIII of this Guidebook.

The total amount of rebates available within this program will be limited by technology. The total amount allotted for each technology is dependent on the amount of available funds within the Emerging Renewable Resources Account (ERRA) of the Renewable Resource Trust Fund. In addition to this overall program funding limit described above, the total amount allotted to any single technology supplier and/or retailer is limited to a percentage of the annual funding allocation for the ERRA. These limits are discussed in the Overall Program Funding Limits section of this Chapter.

The rebate will be based on the generating capacity of the system. The total eligible rebate amount is calculated by multiplying the capacity of the system in watts by the appropriate rebate rate at the time of application. If the capacity of the energy system(s) exceeds the capacity of the inverter(s), then the capacity of the inverter(s) will be used to determine the total eligible rebate amount. It is not recommended that the capacity of the energy system(s) exceed the capacity of the inverter(s).

For systems using small wind turbines, a power rating at 11 meters per second (24.6 miles per hour) will be used for calculating the incentive.

Table 1 lists the rebate levels available, by size category and technology type. Since the Emerging Renewables Program was suspended approximately 30 days before a scheduled rebate drop for small wind systems, from \$3.00/watt for the first 10 kW of generating capacity to \$2.50/watt for the first 10 kW, the higher rebate for small wind systems will be extended for a fixed period of time after the suspension is lifted. The rebate level for the first 10 kW of generating capacity of a small wind system will remain \$3.00 per watt through ~~March 1, 2012~~ May 7, 2012, and will revert to \$2.50 per watt on ~~March 2, 2012~~ May 8, 2012. **Applications for wind turbine systems submitted to the Energy Commission via fax by 5:00 PM on ~~March 1, 2012~~ May 7, 2012, will be considered for the \$3.00 per watt rebate.** Applications received via fax after 5:00 PM on ~~March 1, 2012~~ May 7, 2012, will be considered for the \$2.50 per watt rebate. **No exceptions will be made.** Applications that are sent via hard-copy mail and are postmarked on or before ~~March 1, 2012~~ May 7, 2012, will be deemed to have been submitted before the rebate drop date and will be considered for the \$3.00 per watt rebate. Only **COMPLETE** applications submitted before the deadline will be eligible for the \$3.00 per watt rebate. **Applications submitted via electronic mail will not be accepted.**

Attachment A

Additionally, the total eligible rebate amount available for any energy system shall not exceed 50 percent of the net purchase price of the system (before ERP incentives).¹

Table 1: Rebates Available for Emerging Renewable Systems

Technology Type	Size Category	Rebate Offered
Fuel Cells using a renewable fuel	<30 kW	\$3.00 per watt
Wind	First 10 kW	\$3.00 per watt through March 1, 2012 <u>May 7, 2012</u> \$2.50 per watt beginning March 2, 2012 <u>May 8, 2012</u>
	Increments between >10 kW and <30 kW	\$1.50 per watt

¹ The net system price is based on the system's eligible costs as described in Chapter VII of this guidebook.

Attachment A

C. Additional Reporting for Leased Systems

Renewable energy systems purchased under a lease agreement are eligible for rebates under the ERP, but are subject to additional requirements discussed in Appendix 5.

D. Overall Program Funding Limits

Due to funding limitations the ERP will divide the funds available to the program evenly between rebates for systems using small wind turbines and systems using fuel cells². If more funds are made available, additional allocations may be made for each technology. The Energy Commission reserves the right to adjust the allocation of funds between technologies at any time. The Energy Commission will issue a public notice announcing any changes to the allocation of funds 30 days before the changes go into effect.

Once the funding for a given technology is exhausted, through the payment of rebates and the issuance of rebate reservations, the Energy Commission will stop accepting rebate reservation applications for that technology and will issue a public notice informing consumers that the funds for that technology are exhausted.

Only complete applications will be approved and receive fund encumbrances. Incomplete applications will be returned to the applicant; applicants may reapply but will be subject to the funding availability at the time the application is deemed complete.

Because program funding is limited, and will ultimately be exhausted, the Energy Commission recommends that applicants not purchase or start work on any system until they receive a reservation confirming the availability and amount of funding approved for their application. The Energy Commission will closely monitor the rate at which the program funds are used for each technology to inform program participants on the availability of funds. The Energy Commission will post weekly updates on the amount of funds available. These updates can be found on the Energy Commission website at:

http://www.energy.ca.gov/renewables/emerging_renewables/index.html

The Energy Commission will suspend the ERP once program funding is exhausted and may establish a waiting list for complete applications that are not funded. Applications on a waiting list may be funded if additional program funding becomes available. The Energy Commission may establish additional conditions for applications on the waiting list, including, but not limited to, conditions that limit the total dollar amount of applications on the waiting list and the duration of time applications may remain on the waiting list.

~~1. Funding Limits by Technology Supplier or Retailer~~

~~In addition to the overall program funding limit described above, no single manufacturer or retailer may claim more than 25 percent of the annual funding allocation for the ERRA.³~~

² It is anticipated that the initial sum of \$20 million will be available for both technologies after the Eleventh edition of this Guidebook is adopted; \$10 million allocated to each technology.

~~³ The annual funding allocation for the ERRA in 2011 is expected to be \$57,647,608.00.~~